

**Exhibit G: Increase in Affordable Unit Obligation
from Applicable Unit Activity in Project
Areas**

Exhibit G

Increase in Agency Inclusionary Obligation

This exhibit reflects the results of project area housing activities that fall under the inclusionary or production requirement of Section 33413(b) which agencies must plan to meet in ten year intervals (refer to discussion at Exhibit E). The inclusionary requirement, as amended in 1994, applies to all new and substantially rehabilitated dwelling units developed within project areas. This requirement obligates agencies to ensure that a specified percentage of applicable project area units are affordable to low and moderate income households.

Based on new construction and applicable rehabilitation activity completed within project areas over the reporting year, Exhibit G identifies the resulting statewide increase in agencies' inclusionary obligation. Agencies must, within ten years, ensure an additional 2,223 dwelling units are affordable within project areas. This inclusionary increase is based on agencies reporting agency developed and non-agency developed new construction of 12,522 units and 955 rehabilitations that triggered the applicable inclusionary requirement of either 30 percent or 15 percent as discussed below.

Housing activity reported as "agency developed" (Part I) generates the project area requirement that at least 30 percent of all new and substantially rehabilitated units shall be available at an affordable housing cost to persons and families of low or moderate income. Agencies reported a total of 1,346 housing units that triggered the inclusionary obligation to ensure 404 additional project area units are produced within a ten year interval that are affordable to low and moderate income households. In addition, 202 of these units must be affordable to very-low income households based on Section 33413(b) (1) which specifies that at least 50 percent of the inclusionary units shall be occupied by very-low income households.

Project area activity by public or private entities or persons reported as "non-agency developed" (Part II) triggers a 15 percent inclusionary requirement. Section 33413(b) (2) specifies that at least 40 percent of these inclusionary units shall be occupied by very-low income households. Based on 12,131 new and substantially rehabilitated units, agencies' increased their inclusionary obligation by 1,820 of which 728 must be affordable to very-low income households.